

AMENDMENT IN THE NATURE OF A SUBSTITUTE
TO H.R. 5337
OFFERED BY MS. PRYCE OF OHIO

Strike all after the enacting clause and insert the following:

1 **SECTION 1. SHORT TITLE.**

2 This Act may be cited as the “National Security For-
3 eign Investment Reform and Strengthened Transparency
4 Act of 2006”.

5 **SEC. 2. UNITED STATES SECURITY IMPROVEMENT AMEND-**
6 **MENTS; CLARIFICATION OF REVIEW AND IN-**
7 **VESTIGATION PROCESS.**

8 Section 721 of the Defense Production Act of 1950
9 (50 U.S.C. App. 2170) is amended by striking subsections
10 (a) and (b) and inserting the following new subsections:

11 “(a) **DEFINITIONS.**—For purposes of this section, the
12 following definitions shall apply:

13 “(1) **COMMITTEE.**—The term ‘Committee’
14 means the Committee on Foreign Investment in the
15 United States.

16 “(2) **CONTROL.**—The term ‘control’ has the
17 meaning given to such term in regulations which the
18 Committee shall prescribe.



1 “(3) COVERED TRANSACTION.—The term ‘cov-
2 ered transaction’ means any merger, acquisition, or
3 takeover by or with any foreign person which could
4 result in foreign control of any person engaged in
5 interstate commerce in the United States.

6 “(4) FOREIGN GOVERNMENT-CONTROLLED
7 TRANSACTION.—The term ‘foreign government-con-
8 trolled transaction’ means any covered transaction
9 that could result in the control of any person en-
10 gaged in interstate commerce in the United States
11 by a foreign government or an entity controlled by
12 or acting on behalf of a foreign government.

13 “(5) CLARIFICATION.—The term ‘national secu-
14 rity’ shall be construed so as to include those issues
15 relating to “homeland security,” including its appli-
16 cation to critical infrastructure (as defined in the
17 Homeland Security Act of 2002).

18 “(b) NATIONAL SECURITY REVIEWS AND INVESTIGA-
19 TIONS.—

20 “(1) NATIONAL SECURITY REVIEWS.—

21 “(A) IN GENERAL.—Upon receiving writ-
22 ten notification under subparagraph (C) of any
23 covered transaction, or on a motion made under
24 subparagraph (D) with respect to any covered
25 transaction, the President, acting through the



1 Committee, shall review the covered transaction
2 to determine whether the transaction threatens
3 to impair the national security of the United
4 States and whether such threat can be miti-
5 gated.

6 “(B) CONTROL BY FOREIGN GOVERN-
7 MENT.—If the Committee determines that the
8 covered transaction is a foreign government-
9 controlled transaction, the Committee shall con-
10 duct an investigation of the transaction under
11 paragraph (2).

12 “(C) WRITTEN NOTICE.—

13 “(i) IN GENERAL.—Any party to any
14 covered transaction may initiate a review
15 of the transaction under this paragraph by
16 submitting a written notice of the trans-
17 action to the Chairperson of the Com-
18 mittee.

19 “(ii) WITHDRAWAL OF NOTICE.—No
20 covered transaction for which a notice was
21 submitted under clause (i) may be with-
22 drawn from review unless—

23 “(I) a written request for such
24 withdrawal is submitted by any party
25 to the transaction; and



1 “(II) the request is approved in
2 writing by the Chairperson, in con-
3 sultation with the Vice Chairperson,
4 of the Committee.

5 “(D) UNILATERAL INITIATION OF RE-
6 VIEW.—The President, the Committee, or any
7 member of the Committee may move to initiate
8 a review under subparagraph (A) of—

9 “(i) any covered transaction;

10 “(ii) any covered transaction that has
11 previously been reviewed or investigated
12 under this section, if any party to the
13 transaction submitted false or misleading
14 material information to the Committee in
15 connection with the review or investigation
16 or omitted material information, including
17 material documents, from information sub-
18 mitted to the Committee; or

19 “(iii) any covered transaction that has
20 previously been reviewed or investigated
21 under this section, if any party to the
22 transaction or the entity resulting from
23 consummation of the transaction inten-
24 tionally materially breaches a mitigation



1 agreement or condition described in sub-
2 section (l)(1)(A), and—

3 “(I) such breach is certified by
4 the lead department or agency moni-
5 toring and enforcing such agreement
6 or condition as an intentional material
7 breach; and

8 “(II) such department or agency
9 certifies that there is no other remedy
10 or enforcement tool available to ad-
11 dress such breach.

12 “(E) TIMING.—Any review under this
13 paragraph shall be completed before the end of
14 the 30-day period beginning on the date of the
15 receipt of written notice under subparagraph
16 (C) by the Chairperson of the Committee, or
17 the date of the initiation of the review in ac-
18 cordance with a motion under subparagraph
19 (D).

20 “(2) NATIONAL SECURITY INVESTIGATIONS.—

21 “(A) IN GENERAL.—In each case in
22 which—

23 “(i) a review of a covered transaction
24 under paragraph (1) results in a deter-
25 mination that—



1 “(I) the transaction threatens to
2 impair the national security of the
3 United States and that threat has not
4 been mitigated during or prior to the
5 review of a covered transaction under
6 paragraph (1); or

7 “(II) the transaction is a foreign
8 government-controlled transaction; or

9 “(ii) the Director of National Intel-
10 ligence identifies particularly complex na-
11 tional security or intelligence issues that
12 could threaten to impair the national secu-
13 rity of the United States and Committee
14 members were not able to develop and
15 agree upon measures to mitigate satisfac-
16 torily those threats during the initial re-
17 view period under paragraph (1),

18 the President, acting through the Committee,
19 shall immediately conduct an investigation of
20 the effects of the transaction on the national se-
21 curity of the United States and take any nec-
22 essary actions in connection with the trans-
23 action to protect the national security of the
24 United States.

25 “(B) TIMING.—



1 “(i) IN GENERAL.—Any investigation
2 under subparagraph (A) shall be completed
3 before the end of the 45-day period begin-
4 ning on the date of the investigation com-
5 menced.

6 “(ii) EXTENSIONS OF TIME.—The pe-
7 riod established under subparagraph (B)
8 for any investigation of a covered trans-
9 action may be extended with respect to any
10 particular investigation by the President or
11 by a rolleall vote of at least 2/3 of the
12 members of the Committee involved in the
13 investigation by the amount of time speci-
14 fied by the President or the Committee at
15 the time of the extension, not to exceed 45
16 days, as necessary to collect and fully
17 evaluate information relating to—

18 “(I) the covered transaction or
19 parties to the transaction; and

20 “(II) any effect of the trans-
21 action that could threaten to impair
22 the national security of the United
23 States.

24 “(3) APPROVAL OF CHAIRPERSON AND VICE
25 CHAIRPERSON REQUIRED.—



1 “(A) IN GENERAL.—A review or investiga-
2 tion under this subsection of a covered trans-
3 action shall not be treated as final or complete
4 until the findings and the report resulting from
5 such review or investigation are approved and
6 signed by both the Secretary of the Treasury
7 and the Secretary of Homeland Security (and
8 such authority of each such Secretary may not
9 be delegated to any person other than the Dep-
10 uty Secretary of the Treasury or the Deputy
11 Secretary of Homeland Security, respectively).

12 “(B) ADDITIONAL ACTIONS REQUIRED IN
13 CERTAIN CASES.—In the case of an investiga-
14 tion under paragraph (2) of any foreign govern-
15 ment-controlled transaction, an investigation
16 shall not be treated as final or complete until
17 the findings and report resulting from such
18 investigation—

19 “(i) are approved by a majority of the
20 members of the Committee in a roll call
21 vote; and

22 “(ii) in the case of any roll call vote
23 pursuant to clause (i) in which there is at
24 least 1 vote by a Committee member
25 against approving a foreign government-



1 controlled transaction, are signed by the
2 President (in addition to the Chairperson
3 and the Vice Chairperson of the Committee
4 under subparagraph (A)).

5 “(4) ANALYSIS BY DIRECTOR OF NATIONAL IN-
6 TELLIGENCE.—

7 “(A) IN GENERAL.—The Director of Na-
8 tional Intelligence shall expeditiously carry out
9 a thorough analysis of any threat to the na-
10 tional security of the United States of any cov-
11 ered transaction, including making requests for
12 information to the Director of the Office of
13 Foreign Assets Control within the Department
14 of the Treasury and the Director of the Finan-
15 cial Crimes Enforcement Network. The Direc-
16 tor of National Intelligence also shall seek and
17 incorporate the views of all appropriate intel-
18 ligence agencies, including in particular the De-
19 fense Intelligence Agency.

20 “(B) 30-DAY MINIMUM.—The Director of
21 National Intelligence shall be provided no less
22 than 30 days to complete the analysis required
23 under subparagraph (A), except in any instance
24 described in paragraph (2)(A)(ii).



1 “(C) INDEPENDENT ROLE OF DIRECTOR.—

2 The Director of National Intelligence shall not
3 be a member of the Committee and shall serve
4 no policy role with the Committee other than to
5 provide analysis under subparagraph (A) in
6 connection with a covered transaction.

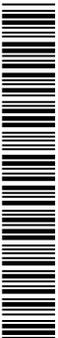
7 “(5) RESUBMITTALS OF NOTICE AND REQUESTS

8 FOR ADDITIONAL REVIEW OR INVESTIGATION.—

9 “(A) IN GENERAL.—No provision of this
10 subsection shall be construed as prohibiting any
11 party to a covered transaction from—

12 “(i) submitting additional information
13 concerning the transaction, including any
14 proposed restructuring of the transaction
15 or any modifications to any agreements in
16 connection with the transaction, while any
17 review or investigation of the transaction is
18 on-going; or

19 “(ii) requesting a review or investiga-
20 tion of the transaction after any previous
21 review or investigation of the same or a
22 similar transaction has become final if in-
23 formation material to the prior review or
24 investigation and not previously submitted
25 to the Committee becomes known or if any



1 material change in circumstances to the
2 covered transaction has occurred since the
3 review or investigation.

4 “(B) APPROVAL OF REQUEST.—In the
5 case of a request referred to in subparagraph
6 (A)(ii), the Committee shall determine by con-
7 sensus whether to grant a request.

8 “(6) REGULATIONS.—Regulations prescribed
9 under this section shall include standard procedures
10 for—

11 “(A) submitting any notice of a proposed
12 or pending covered transaction to the Com-
13 mittee;

14 “(B) submitting a request to withdraw a
15 proposed or pending covered transaction from
16 review; and

17 “(C) resubmitting a notice of proposed or
18 pending covered transaction that was previously
19 withdrawn from review.”.

20 **SEC. 3. STATUTORY ESTABLISHMENT OF THE COMMITTEE**
21 **ON FOREIGN INVESTMENT IN THE UNITED**
22 **STATES.**

23 (a) IN GENERAL.—Section 721 of the Defense Pro-
24 duction Act of 1950 (50 U.S.C. App. 2170) is amended



1 by striking subsection (k) and inserting the following new
2 subsection:

3 “(k) COMMITTEE ON FOREIGN INVESTMENT IN THE
4 UNITED STATES.—

5 “(1) ESTABLISHMENT.—The Committee on
6 Foreign Investment in the United States established
7 pursuant to Executive Order No. 11858 shall be a
8 multi-agency committee to carry out this section and
9 such other assignments as the President may des-
10 ignate.

11 “(2) MEMBERSHIP.—The Committee shall be
12 comprised of the following members or the designee
13 of any such member:

14 “(A) The Secretary of the Treasury.

15 “(B) The Secretary of Homeland Security.

16 “(C) The Secretary of Commerce.

17 “(D) The Secretary of Defense.

18 “(E) The Secretary of State.

19 “(F) The Attorney General.

20 “(G) The Chairman of the Council of Eco-
21 nomic Advisors.

22 “(H) The United States Trade Represent-
23 ative.

24 “(I) The Director of the Office of Manage-
25 ment and Budget.



1 “(J) The Director of the National Eco-
2 nomic Council.

3 “(K) The Director of the Office of Science
4 and Technology Policy.

5 “(L) The President’s Assistant for Na-
6 tional Security Affairs.

7 “(M) Any other designee of the President
8 from the Executive Office of the President.

9 “(3) CHAIRPERSON; VICE CHAIRPERSON.—The
10 Secretary of the Treasury shall be the Chairperson
11 of the Committee. The Secretary of Homeland Secu-
12 rity shall be the Vice Chairperson of the Committee.

13 “(4) OTHER MEMBERS.—Subject to subsection
14 (b)(4)(B), the Chairperson of the Committee shall
15 involve the heads of such other Federal departments,
16 agencies, and independent establishments in any re-
17 view or investigation under subsection (b) as the
18 Chairperson, after consulting with the Vice Chair-
19 person, determines to be appropriate on the basis of
20 the facts and circumstances of the transaction under
21 investigation (or the designee of any such depart-
22 ment or agency head).

23 “(5) MEETINGS.—The Committee shall meet
24 upon the direction of the President or upon the call
25 of the Chairperson of the Committee without regard



1 to section 552b of title 5, United States Code (if
2 otherwise applicable).

3 “(6) COLLECTION OF EVIDENCE.—Subject to
4 subsection (c), the Committee may, for the purpose
5 of carrying out this section—

6 “(A) sit and act at such times and places,
7 take such testimony, receive such evidence, ad-
8 minister such oaths; and

9 “(B) require the attendance and testimony
10 of such witnesses and the production of such
11 books, records, correspondence, memoranda, pa-
12 pers, and documents as the Chairperson of the
13 Committee may determine advisable.

14 “(7) AUTHORIZATION OF APPROPRIATIONS.—
15 There are authorized to be appropriated to the Sec-
16 retary of the Treasury for each of fiscal years 2007,
17 2008, 2009, and 2010, expressly and solely for the
18 operations of the Committee that are conducted by
19 the Secretary, the sum of \$10,000,000.”.

20 (b) TECHNICAL AND CONFORMING AMENDMENT.—
21 The first sentence of section 721(c) of the Defense Pro-
22 duction Act of 1950 (50 U.S.C. App. 2170(c)) is
23 amended—



1 (1) by striking “material filed with” and insert-
2 ing “material, including proprietary business infor-
3 mation, filed with, or testimony presented to,”; and

4 (2) by striking “or documentary material” the
5 2nd place such term appears and inserting “, docu-
6 mentary material, or testimony”.

7 **SEC. 4. ADDITIONAL FACTORS REQUIRED TO BE CONSID-**
8 **ERED.**

9 Section 721(f) of the Defense Production Act of 1950
10 (50 U.S.C. App. 2170(f)) is amended—

11 (1) in the matter preceding paragraph (1)—

12 (A) by striking “may” and inserting
13 “shall”; and

14 (B) by striking “among other factors”;

15 (2) by striking “and” at the end of paragraph
16 (4);

17 (3) by striking the period at the end of para-
18 graph (5) and inserting a semicolon; and

19 (4) by adding at the end the following new
20 paragraphs:

21 “(6) whether the covered transaction has a se-
22 curity-related impact on critical infrastructure in the
23 United States;

24 “(7) whether the covered transaction is a for-
25 eign government-controlled transaction; and



1 “(1) MITIGATION, TRACKING, AND
2 POSTCONSUMMATION MONITORING AND ENFORCE-
3 MENT.—

4 “(1) MITIGATION.—

5 “(A) IN GENERAL.—The Committee may
6 negotiate, enter into or impose, and enforce any
7 agreement or condition with any party to a cov-
8 ered transaction in order to mitigate any threat
9 to the national security of the United States.

10 “(B) RISK-BASED ANALYSIS REQUIRED.—
11 Any agreement entered into or condition im-
12 posed under subparagraph (A) shall be based
13 on a risk-based analysis of the threat to na-
14 tional security of the covered transaction.

15 “(2) TRACKING AUTHORITY FOR WITHDRAWN
16 NOTICES.—

17 “(A) IN GENERAL.—If any written notice
18 of a covered transaction that was submitted to
19 the Committee under this section is withdrawn
20 before any review or investigation by the Com-
21 mittee under subsection (b) is completed, the
22 Committee shall establish, as appropriate—

23 “(i) interim protections to address
24 specific concerns with such transaction
25 that have been raised in connection with



1 any such review or investigation pending
2 any resubmission of any written notice
3 under this section with respect to such
4 transaction and further action by the
5 President under this section;

6 “(ii) specific timeframes for resubmit-
7 ting any such written notice; and

8 “(iii) a process for tracking any ac-
9 tions that may be taken by any party to
10 the transaction, in connection with the
11 transaction, before the notice referred to in
12 clause (ii) is resubmitted.

13 “(B) DESIGNATION OF AGENCY.—The
14 Committee may designate an appropriate Fed-
15 eral department or agency, other than any enti-
16 ty of the intelligence community (as defined in
17 the National Security Act of 1947), as the lead
18 agency to carry out the requirements of sub-
19 paragraph (A) with respect to any covered
20 transaction that is subject to such subpara-
21 graph.

22 “(3) NEGOTIATION, MODIFICATION, MONI-
23 TORING, AND ENFORCEMENT.—

24 “(A) DESIGNATION OF AGENCY.—The
25 Committee shall designate a Federal depart-



1 ment or agency as the lead agency to negotiate,
2 modify, monitor, and enforce any agreement en-
3 tered into or condition imposed under para-
4 graph (1) with respect to a covered transaction
5 based on the expertise with and knowledge of
6 the issues related to such transaction on the
7 part of the designated department or agency.

8 “(B) REPORTING BY DESIGNATED AGEN-
9 CY.—

10 “(i) IMPLEMENTATION REPORTS.—
11 The Federal department or agency des-
12 ignated by the Committee as a lead agency
13 under subparagraph (A) in connection with
14 any agreement entered into or condition
15 imposed under paragraph (1) with respect
16 to a covered transaction shall—

17 “(I) provide periodic reports to
18 the Chairperson and Vice Chairperson
19 of the Committee on the implementa-
20 tion of such agreement or condition;
21 and

22 “(II) require, as appropriate, any
23 party to the covered transaction to re-
24 port to the head of such department
25 or agency (or the designee of such de-



1 partment or agency head) on the im-
2 plementation or any material change
3 in circumstances.

4 “(ii) MODIFICATION REPORTS.—The
5 Federal department or agency designated
6 by the Committee as a lead agency under
7 subparagraph (A) in connection with any
8 agreement entered into or condition im-
9 posed with respect to a covered transaction
10 shall—

11 “(I) provide periodic reports to
12 the Chairperson and Vice Chairperson
13 of the Committee on any modification
14 to any such agreement or condition
15 imposed with respect to the trans-
16 action; and

17 “(II) ensure that any significant
18 modification to any such agreement or
19 condition is reported to the Director
20 of National Intelligence and to any
21 other Federal department or agency
22 that may have a material interest in
23 such modification.”.



1 **SEC. 7. INCREASED OVERSIGHT BY THE CONGRESS.**

2 (a) REPORT ON ACTIONS.—Section 721(g) of the De-
3 fense Production Act of 1950 (50 U.S.C. App. 2170) is
4 amended to read as follows:

5 “(g) REPORTS TO THE CONGRESS.—

6 “(1) REPORTS ON COMPLETED COMMITTEE IN-
7 VESTIGATIONS.—

8 “(A) IN GENERAL.—Not later than 5 days
9 after the completion of a Committee investiga-
10 tion of a covered transaction under subsection
11 (b)(2), or, if the President indicates an intent
12 to take any action authorized under subsection
13 (d) with respect to the transaction, after the
14 end of 15-day period referred to in subsection
15 (d), the Chairperson or Vice Chairperson of the
16 Committee shall submit a written report on the
17 findings or actions of the Committee with re-
18 spect to such investigation, the determination of
19 whether or not to take action under subsection
20 (d), an explanation of the findings under sub-
21 section (e), and the factors considered under
22 subsection (f), with respect to such transaction,
23 to—

24 “(i) the Majority Leader and the Mi-
25 nority Leader of the Senate;



1 “(ii) the Speaker and the Minority
2 Leader of the House of Representatives;
3 and

4 “(iii) the chairman and ranking mem-
5 ber of each committee of the House of
6 Representatives and the Senate with juris-
7 diction over any aspect of the covered
8 transaction and its possible effects on na-
9 tional security.

10 “(B) NOTICE AND BRIEFING REQUIRE-
11 MENT.—If a written request for a briefing on a
12 covered transaction is submitted to the Com-
13 mittee by any Senator or Member of Congress
14 who receives a report on the transaction under
15 subparagraph (A), the Chairperson or Vice
16 Chairperson (or such other person as the Chair-
17 person or Vice Chairperson may designate)
18 shall provide 1 classified briefing to each House
19 of the Congress from which any such briefing
20 request originates in a secure facility of appro-
21 priate size and location that shall be open only
22 to the Majority Leader and the Minority Leader
23 of the Senate, the Speaker and the Minority
24 Leader of the House of Representatives, (as the
25 case may be) the chairman and ranking mem-



1 ber of each committee of the House of Rep-
2 resentatives or the Senate (as the case may be)
3 with jurisdiction over any aspect of the covered
4 transaction and its possible effects on national
5 security, and appropriate staff members who
6 have security clearance.

7 “(2) APPLICATION OF OTHER PROVISION.—

8 “(A) IN GENERAL.—The disclosure of in-
9 formation under this subsection shall be con-
10 sistent with the requirements of subsection (c).
11 Members of Congress and staff of either House
12 or any committee of the Congress shall be sub-
13 ject to the same limitations on disclosure of in-
14 formation as are applicable under such sub-
15 section.

16 “(B) PROPRIETARY INFORMATION.—Pro-
17 prietary information which can be associated
18 with a particular party to a covered transaction
19 shall be furnished in accordance with subpara-
20 graph (A) only to a committee of the Congress
21 and only when the committee provides assur-
22 ances of confidentiality, unless such party oth-
23 erwise consents in writing to such disclosure.”.

24 (b) SEMI-ANNUAL REPORT.—Section 721 of the De-
25 fense Production Act of 1950 (50 U.S.C. App. 2170) is



1 amended by inserting after subsection (l) (as added by sec-
2 tion 6 of this Act) the following new subsection:

3 “(m) SEMI-ANNUAL REPORT TO THE CONGRESS.—

4 “(1) IN GENERAL.—The Chairperson of the
5 Committee shall transmit a report to the Congress
6 before January 31 and July 31 of each year on all
7 the reviews and investigations of covered trans-
8 actions conducted under subsection (b) during the 6-
9 month period covered by the report.

10 “(2) CONTENTS OF REPORT RELATING TO COV-
11 ERED TRANSACTIONS.—The report under paragraph
12 (1) shall contain the following information with re-
13 spect to each covered transaction:

14 “(A) A list of all notices filed and all re-
15 views or investigations conducted during the pe-
16 riod with basic information on each party to the
17 transaction, the nature of the business activities
18 or products of all pertinent persons, along with
19 information about the status of the review or
20 investigation, information on any withdrawal
21 from the process, any rollcall votes by the Com-
22 mittee under this section, any extension of time
23 for any investigation, and any presidential deci-
24 sion or action under this section.



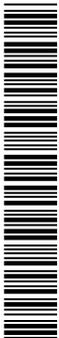
1 “(B) Specific, cumulative, and, as appro-
2 priate, trend information on the numbers of fil-
3 ings, investigations, withdrawals, and presi-
4 dential decisions or actions under this section.

5 “(C) Cumulative and, as appropriate,
6 trend information on the business sectors in-
7 volved in the filings which have been made, and
8 the countries from which the investments have
9 originated.

10 “(D) Information on whether companies
11 that withdrew notices to the Committee in ac-
12 cordance with subsection (b)(1)(C)(ii) have
13 later re-filed such notices, or, alternatively,
14 abandoned the transaction.

15 “(E) The types of security arrangements
16 and conditions the Committee has used to miti-
17 gate national security concerns about a trans-
18 action.

19 “(F) A detailed discussion of all perceived
20 adverse effects of covered transactions on the
21 national security or critical infrastructure of the
22 United States that the Committee will take into
23 account in its deliberations during the period
24 before delivery of the next such report, to the
25 extent possible.



1 “(3) CONTENTS OF REPORT RELATING TO
2 CRITICAL TECHNOLOGIES.—

3 “(A) IN GENERAL.—In order to assist the
4 Congress in its oversight responsibilities with
5 respect to this section, the President and such
6 agencies as the President shall designate shall
7 include in the semi-annual report submitted
8 under paragraph (1) the following:

9 “(i) An evaluation of whether there is
10 credible evidence of a coordinated strategy
11 by 1 or more countries or companies to ac-
12 quire United States companies involved in
13 research, development, or production of
14 critical technologies for which the United
15 States is a leading producer.

16 “(ii) An evaluation of whether there
17 are industrial espionage activities directed
18 or directly assisted by foreign governments
19 against private United States companies
20 aimed at obtaining commercial secrets re-
21 lated to critical technologies.

22 “(B) CRITICAL TECHNOLOGIES DE-
23 FINED.—For purposes of this paragraph, the
24 term ‘critical technologies’ means technologies
25 identified under title VI of the National Science



1 and Technology Policy, Organization, and Pri-
2 orities Act of 1976 or other critical technology,
3 critical components, or critical technology items
4 essential to national defense or national security
5 identified pursuant to this section.

6 “(C) RELEASE OF UNCLASSIFIED
7 STUDY.—That portion of the semi-annual re-
8 port under paragraph (1) that is required by
9 this paragraph may be classified. An unclassi-
10 fied version of that portion of the report shall
11 be made available to the public.”.

12 (c) INVESTIGATION BY INSPECTOR GENERAL.—

13 (1) IN GENERAL.—The Inspector General of
14 the Department of the Treasury shall conduct an
15 independent investigation to determine all of the
16 facts and circumstances concerning each failure of
17 the Department of the Treasury to make any report
18 to the Congress that was required under section
19 721(k) of the Defense Production Act of 1950 (as
20 in effect before the date of the enactment of this
21 Act).

22 (2) REPORT TO THE CONGRESS.—Before the
23 end of the 270-day period beginning on the date of
24 the enactment of this Act, the Inspector General of
25 the Department of the Treasury shall submit a re-



1 port to the Congress on the investigation under
2 paragraph (1) containing the findings and conclu-
3 sions of the Inspector General.

4 (d) STUDY AND REPORT.—

5 (1) STUDY REQUIRED.—Before the end of the
6 120-day period beginning on the date of the enact-
7 ment of this Act, the Secretary of the Treasury, in
8 consultation with the Secretary of State and the
9 Secretary of Commerce, shall conduct a study on in-
10 vestments in the United States, especially invest-
11 ments in critical infrastructure and industries affect-
12 ing national security, by—

13 (A) foreign governments, entities controlled
14 by or acting on behalf of a foreign government,
15 or persons of foreign countries which comply
16 with any boycott of Israel; or

17 (B) foreign governments, entities con-
18 trolled by or acting on behalf of a foreign gov-
19 ernment, or persons of foreign countries which
20 do not ban organizations designated by the Sec-
21 retary of State as foreign terrorist organiza-
22 tions.

23 (2) REPORT.—Before the end of the 30-day pe-
24 riod beginning upon completion of the study under
25 paragraph (1) or in the next semi-annual report



1 under section 721(m) of the Defense Production Act
2 of 1950 (as added by subsection (b)), the Secretary
3 of the Treasury shall submit a report to the Con-
4 gress, for transmittal to all appropriate committees
5 of the Senate and the House of Representatives,
6 containing the findings and conclusions of the Sec-
7 retary with respect to the study, together with an
8 analysis of the effects of such investment on the na-
9 tional security of the United States and on any ef-
10 forts to address those effects.

11 **SEC. 8. CERTIFICATION OF NOTICES AND ASSURANCES.**

12 Section 721 of the Defense Production Act of 1950
13 (50 U.S.C. App. 2170) is amended by inserting after sub-
14 section (m) (as added by section 7(b) of this Act) the fol-
15 lowing new subsection:

16 “(n) CERTIFICATION OF NOTICES AND ASSUR-
17 ANCES.—Each notice required to be submitted, by a party
18 to a covered transaction, to the President or the Presi-
19 dent’s designee under this section and regulations pre-
20 scribed under such section, and any information submitted
21 by any such party in connection with any action for which
22 a report is required pursuant to paragraph (3)(B)(ii) of
23 subsection (l) with respect to the implementation of any
24 mitigation agreement or condition described in paragraph
25 (1)(A) of such subsection, or any material change in cir-



1 cumstances, shall be accompanied by a written statement
2 by the chief executive officer or the designee of the person
3 required to submit such notice or information certifying
4 that, to the best of the person's knowledge and belief—

5 “(1) the notice or information submitted fully
6 complies with the requirements of this section or
7 such regulation, agreement, or condition; and

8 “(2) the notice or information is accurate and
9 complete in all material respects.”.

10 **SEC. 9. REGULATIONS.**

11 Section 721(h) of the Defense Production Act of
12 1950 (50 U.S.C. App. 2170(h)) is amended to read as
13 follows:

14 “(h) REGULATIONS.—The President shall direct the
15 issuance of regulations to carry out this section. Such reg-
16 ulations shall, to the extent possible, minimize paperwork
17 burdens and shall to the extent possible coordinate report-
18 ing requirements under this section with reporting re-
19 quirements under any other provision of Federal law.”.

20 **SEC. 10. EFFECT ON OTHER LAW.**

21 Section 721(i) of the Defense Production Act of 1950
22 (50 U.S.C. App. 2170(i)) is amended to read as follows:

23 “(i) EFFECT ON OTHER LAW.—No provision of this
24 section shall be construed as altering or affecting any
25 other authority, process, regulation, investigation, enforce-



1 ment measure, or review provided by or established under
2 any other provision of Federal law, including the Inter-
3 national Emergency Economic Powers Act, or any other
4 authority of the President or the Congress under the Con-
5 stitution of the United States.”.

